



PRUDENCE WINNER LIMITED

(a company incorporated in the British Virgin Islands with limited liability)

A WHOLLY OWNED SUBSIDIARY OF GLOBAL CHINA GROUP HOLDINGS LIMITED

(a company incorporated in Bermuda with limited liability)

VOLUNTARY CONDITIONAL CASH OFFER ON BEHALF OF PRUDENCE WINNER LIMITED A WHOLLY OWNED SUBSIDIARY OF GLOBAL CHINA GROUP HOLDINGS LIMITED BY GLOBAL CHINA CORPORATE FINANCE LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF PANDA-RECRUIT LIMITED

GC Corporate Finance will make a voluntary conditional cash offer on behalf of the Offeror to acquire all of the issued share capital the Company not already owned by the Offeror, or parties acting in concert with it, prior to the closing of the Offer, on the following basis:

For each Share HK\$0.02 in cash.

This offer price values the entire issued share capital of the Company at HK\$22.5 million.

The Offer is conditional upon amongst other things:

- (a) valid acceptances being received in respect of not less than 90 per cent (or such lesser percentage as the Offeror may decide) of the Shares to which the Offer relates, provided that this condition shall not be satisfied unless the Offeror and/or parties acting in concert with it shall have acquired or agreed to acquire (pursuant to the Offer or otherwise), directly or indirectly, Shares carrying, in aggregate, more than 50 per cent of the voting rights then exercisable at general meetings of the Company; and
- (b) the Subscription Agreement or any revised or amended subscription for Shares by City Apex, Great Eagle or ER2 (or any persons acting in concert with such entities):
 - (i) having been rejected by disinterested Shareholders at the EGM and the Subscription Agreement having lapsed and being of no further effect and the Company not having, or ceasing to have, any obligation to proceed with such subscription; or
 - (ii) having lapsed and being of no further effect and the Company not having, or ceasing to have, any obligation to proceed with such subscription for any other reason.

If the Offeror receives valid acceptances in respect of not less than 50 per cent of the Shares to which the Offer relates, it will consider lowering the percentage of valid acceptances required to satisfy the Offer.

It is the intention of the Offeror that the Company will be privatised upon completion of the Offer and subject to obtaining the necessary levels of acceptances of the Offer (see the paragraph headed "Compulsory Acquisition" below). If the Offeror does not succeed in privatising the Company, it intends to maintain the listing of the Company on GEM (see the section headed "Maintaining the Listing" below).

Warning: The Offer is subject to the conditions set out in the paragraph headed "The Offer Conditions" which may, or may not, be waived or satisfied. Shareholders and investors should exercise caution when dealing in the Shares.

INTRODUCTION

The board of directors of the Offeror announces that it will make a voluntary conditional cash offer to acquire all of the issued share capital of the Company not already owned by the Offeror, or parties acting in concert with it, prior to the closing of the Offer. It is intended that the Offer be made by GC Corporate Finance on behalf of the Offeror.

THE OFFER

Basis of the Offer

GC Corporate Finance will, on behalf of the Offeror, make a voluntary conditional cash offer on the following basis:

for each Share HK\$0.02 in cash.

Further terms of the Offer are set out in the section headed "Further Terms of the Offer" below.

Warning: The Offer is subject to the conditions set out in the paragraph headed "The Offer Conditions" which may, or may not, be waived or satisfied. Shareholders and investors should exercise caution when dealing in the Shares.

Comparisons of Value

The cash consideration of HK\$0.02 per Share represents:

- (a) a discount of approximately 23.1 per cent to the closing price of HK\$0.026 per Share, as quoted on GEM on 13 September 2002, being the last trading day before trading in the Shares was suspended;
- (b) a discount of approximately 28.1 per cent to the average closing price of the Shares as quoted on GEM for the ten trading days immediately prior to and including the last trading day prior to this Announcement of HK\$0.0278 per Share;
- (c) a discount of approximately 33.8 per cent to the Company's net asset value per Share of HK\$0.0302 as referred to in the Company's unaudited accounts for the six months ended 30 June 2002; and
- (d) a premium of approximately 21.2 per cent to the offer price of HK\$0.0165 per Share under the voluntary conditional cash offer to be made on behalf of City Apex as announced in a joint announcement by the Company and City Apex on 5 October 2002.

Highest and Lowest Prices

During the 6 month period preceding the date of this Announcement, the highest closing price of the Shares as quoted on GEM was HK\$0.038 per Share on 21, 22, 23, 24, 27 and 28 May 2002, and the lowest closing price of the Shares as quoted on GEM was HK\$0.026 per Share on 10, 11, 12 and 13 September 2002.

Total Consideration

On the basis of the consideration of HK\$0.02 per Share and an entire issued share capital of 1,125 million Shares, the issued share capital of the Company is valued at HK\$22.5 million.

Financial Resources of the Offeror

GC Corporate Finance is satisfied that sufficient financial resources are available to the Offeror to meet full acceptance of the Offer.

Settlement of Consideration

Settlement of the consideration will be made within ten days of the later of the date on which the Offer becomes unconditional and the date of receipt of duly completed valid acceptances.

The Offer Conditions

The Offer is conditional upon the matters set out in the Appendix to this Announcement.

The Offeror reserves the right to waive, in whole or in part, all or any of the conditions to the Offer. In particular, if the Offeror receives valid acceptances in respect of not less than 50 per cent of the Shares to which the Offer relates, it will consider extending the Offer and/or lowering the percentage of acceptances required to satisfy condition (a) as set out in the Appendix.

Subject to Note 2 to Rule 30.1 of the Code, any determination by the Offeror concerning the fulfilment of the conditions to the Offer and the matters described above shall be final and binding.

Offer Document

The Offer Document setting out the details of the Offer, and the forms of acceptance and transfer, will be sent to the Shareholders within 21 days of the date of this Announcement (or such later date as the Executive may consent to).

Completion of the Offer

If the conditions to the Offer are not satisfied on or before 4.00 p.m. on the date which is 28 days after the dispatch of the Offer Document, the Offer will lapse unless extended by the Offeror. In that case, the Offeror will issue a press announcement as soon as practicable thereafter. The latest date on which the Offeror can declare the Offer unconditional is the Long Stop Date.

If the conditions to the Offer are satisfied (or, if applicable, waived) on or before the Long Stop Date, the Shareholders will be notified by a press announcement as soon as practicable thereafter.

Compulsory Acquisition

If acceptances are received for not less than 90 per cent in value of the Shares in respect of which the Offer is made, it is the intention of the Offeror that it will avail itself of the acquisition provisions under the Companies Law to acquire the outstanding Shares not owned by it. For that purpose, the Offeror must serve a notice of intention to acquire the relevant Shares in the prescribed manner under section 88 of the Companies Law on such holders to indicate its desire to acquire their Shares. Subject to the terms of the Companies Law, the Offeror as a transferee company shall be entitled and bound to acquire those Shares on the same terms as the Offer.

MAINTAINING THE LISTING

If the Offer becomes or is declared unconditional, but the Offeror does not acquire the requisite percentage of the Shares in order to compulsorily acquire all the issued Shares within 4 months from the dispatch of the Offer Document, it intends to maintain the listing of the Company on the Stock Exchange. Accordingly, the Offeror will undertake to the Stock Exchange to take appropriate steps following the closing of the Offer to ensure that such number of the Shares as may be required by the Stock Exchange are held by the public.

The Stock Exchange has stated that, if less than 20 per cent of the issued Shares are in public hands at the close of the Offer or if the Stock Exchange believes that a false market exists or may exist in the trading of the Shares or that there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.

If the Company remains a listed company, the Stock Exchange will closely monitor all acquisitions or disposals of assets by the Company. Under the GEM Listing Rules the Stock Exchange has the discretion to require the Company to issue a circular to Shareholders irrespective of the size of the proposed transaction, particularly when any transaction represents a departure from the principal activities of the Company. The Stock Exchange also has the power pursuant to the GEM Listing Rules to aggregate a series of transactions and any such transactions may result in the Company being treated as if it were a new listing applicant and subject to the requirement for new applicants as set out in the GEM Listing Rules.

INFORMATION ON THE OFFEROR AND GLOBAL CHINA

The Offeror is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of Global China, a company listed on the main board of the Stock Exchange. The principal activity of the Offeror is investment holding. Global China is engaged in three core areas of business: media ownership and services; human capital management; and broadband content and distribution.

As at 7 October 2002, being the latest practicable date prior to this Announcement, Mr. Charles Ho Tsu Kwok, the chairman of Global China, beneficially owned 741,895,000 shares of Global China representing approximately 42.06 per cent of the issued share capital of Global China and Mrs. Sy Wong Chor Fong, Mr. Wong Wai Ming and Ms. Judy Inn, all of whom are directors of Global China, beneficially owned 165,169,000, 242,000 and 100,000 shares of Global China respectively representing approximately 9.36 per cent, 0.014 per cent and 0.006 per cent of the issued share capital of Global China respectively. As at such date, the remaining 48.56 per cent of the issued share capital of Global China was owned by other public shareholders.

The Offeror, its concert parties and their respective controlling shareholders and directors are parties independent of, not acting in concert and not connected with the Company, the respective directors, substantial shareholders or chief executive of the Company or any of their respective subsidiaries and associates (as defined in the GEM Listing Rules).

INFORMATION ON THE COMPANY

Business of the Company

According to the most recent annual report and accounts of the Company, the Company is principally engaged in the business of providing multi-media recruitment and career services to both job-seekers and advertisers.

Financial information on the Company

According to the half-yearly report of the Company for the six months ended 30 June 2002, the unaudited consolidated turnover of the Company and its subsidiaries for the six months ended 30 June 2002 was approximately HK\$40.6 million. The unaudited consolidated net loss for the six months ended 30 June 2002 was approximately HK\$7.3 million. The unaudited consolidated total assets less current liabilities of the Company as at 30 June 2002 were approximately HK\$34.0 million.

According to the annual report and accounts of the Company for the year ended 31 December 2001, the audited consolidated turnover and audited consolidated net loss of the Company for the year ended 31 December 2001 was approximately HK\$106.3 million and approximately HK\$58.4 million respectively and the total assets less current liabilities of the Company as at 31 December 2001 were approximately HK\$41.2 million.

Equity Securities of the Company

Based on the half-yearly report for the six months ended 30 June 2002 and the annual report for the year ended 31 December 2001 of the Company, the Company does not have any outstanding equity securities (including equity related convertible securities, or warrants, options or subscription rights in respect of any equity share capital (including non-transferable options)).

REASONS FOR THE OFFER

The Offeror wishes to acquire the Company in order to expand the human capital management business of the Global China group. The Offeror believes that there are many synergies, both in Hong Kong and the PRC, which could be achieved by merging the Company's existing recruitment businesses with the business of Job Market, a recruitment publication published by Global China's group of companies, and ChinaHCM, a joint venture between a wholly owned subsidiary of Global China, Global China Training Services and Technology Limited (泛華培訓服務及技術有限公司), and UIBE, focussing on corporate training, career training and e-learning.

THE OFFEROR'S INTENTION IN RELATION TO THE COMPANY

If the Offer becomes or is declared unconditional, it is the intention of the Offeror that the Company would continue its business activities and that there would be no major changes to the business. The Offeror intends to make changes to the board of the Company the details of which have not yet been finalized.

FURTHER TERMS OF THE OFFER

The Shares

The Shares will be acquired under the Offer free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date hereof.

Stamp Duty

Stamp duty at a rate of HK\$1 for every HK\$1,000 (or part of HK\$1,000) of the consideration payable will be deducted from the amount payable to the Shareholders who accept the Offer.

GENERAL MATTERS RELATING TO THE OFFER

Availability of the Offer

The Offer Document, together with the forms of acceptance and transfer, will be dispatched to the Shareholders as soon as practicable.

The availability of the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdictions. Persons who are not resident in Hong Kong should inform themselves about and observe any applicable requirements in their own jurisdictions.

Interest in the Shares

As at 7 October 2002, being the latest practicable date prior to this Announcement, neither the Offeror nor parties acting in concert with it, owns or controls any Shares or has options to acquire (or other outstanding derivatives in respect of) any Shares. Neither the Offeror nor parties acting in concert with it had owned any Shares or dealt in any Shares in the six month period preceding the date of this Announcement.

DEFINITIONS

In this Announcement, unless the context otherwise requires, the following expressions have the meanings set out below:

“ChinaHCM”	means a Chinese-foreign joint venture known as Beijing Jinghua Human Capital Management Company Limited (北京經華智業教育科技有限公司(“經華智業”)) in which Global China holds, through a wholly owned subsidiary, Global China Training Services and Technology Limited (泛華培訓服務及技術有限公司), a 70 per cent interest.
“City Apex”	means City Apex Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 71 per cent by ER2 and as to 29 per cent indirectly by Great Eagle.
“Code”	means The Code on Takeovers and Mergers as in force in Hong Kong from time to time.
“Companies Law”	means Companies Law, CAP. 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands.
“Company”	means Panda-Recruit Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on GEM.
“EGM”	means the extraordinary general meeting of the Company to be convened in order to approve the Subscription Agreement amongst other things.
“ER2”	means ER2 Holdings Limited, a company incorporated in Hong Kong with limited liability.
“Executive”	means the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director.
“First Closing Date”	means the date which is 29 days after the dispatch of the Offer Document.
“GC Corporate Finance”	means Global China Corporate Finance Limited, an investment adviser registered under the Securities Ordinance (CAP 333 of the Laws of Hong Kong) and a company incorporated in Hong Kong with limited liability, the financial adviser to the Offeror.
“GEM”	means the Growth Enterprise Market of the Stock Exchange.
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on GEM.
“Global China”	means Global China Group Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange.
“Great Eagle”	means Great Eagle Holdings Limited, a company whose shares are listed on the Main Board of the Stock Exchange and an initial management shareholder of the Company.
“Group”	means the Company and its subsidiaries (as that term is defined in the Companies Ordinance, CAP 32).
“Long Stop Date”	means the date which is 60 days after the date of the posting of the Offer Document (or such later date as the Executive may consent to).
“Offer”	means the voluntary conditional cash offer by the Offeror for the Offer Shares.

“Offeror”	means Prudence Winner Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of Global China.
“Offer Document”	means the offer document to be sent by the Offeror to Shareholders in connection with the Offer.
“Offer Shares”	means all of the issued Shares other than those already owned by the Offeror, or parties acting in concert with it, prior to the closing of the Offer.
“PRC”	means the People's Republic of China.
“SFC”	means the Securities and Futures Commission.
“Shareholders”	means the shareholders of the Company.
“Shares”	means the shares of HK\$0.05 each of the Company.
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited.
“Subscription Agreement”	means the conditional agreement dated 27 September 2002 between the Company and City Apex relating to a subscription of Shares announced in a joint announcement by the Company and City Apex on 5 October 2002.
“UIBE”	means the University of International Business and Economics of the PRC.

By order of the board of
Global China Group Holdings Limited
Charles Ho Tsu Kwok
Chairman

By order of the board of
Prudence Winner Limited
Wong Wai Ming
Director

Hong Kong, 7 October 2002

Subject to the following paragraph, the directors of Global China and the Offeror jointly and severally accept full responsibility for the accuracy of the information in this Announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Announcement have been arrived at after due and careful consideration and there are no other facts not contained in this Announcement the omission of which would make any of their statements in this Announcement misleading.

The information on the Company in this Announcement has been taken from the published half-yearly and annual reports of the Company and from the prospectus of the Company dated 11 July 2000. The directors of Global China and the Offeror jointly and severally accept full responsibility that such information has been accurately extracted.

APPENDIX

Conditions to the Offer

The Offer shall be subject to the following conditions:

- (a) valid acceptances being received (and not, where permitted, withdrawn) by 4.00 p.m. on the date which is 28 days after the dispatch of the Offer Document (or such later time(s) and/or date(s) as the Offeror may, subject to the Code, decide) in respect of not less than 90 per cent (or such lesser percentage as the Offeror may decide) of the Shares to which the Offer relates, provided that this condition shall not be satisfied unless the Offeror and/or parties acting in concert with it shall have acquired or agreed to acquire (pursuant to the Offer or otherwise), directly or indirectly, Shares carrying, in aggregate, more than 50 per cent of the voting rights then exercisable at general meetings of the Company, including, for this purpose (to the extent, if any, required by the Executive), any such voting rights attaching to any Shares unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise; and, for this purpose, (i) the expression “Shares to which the Offer relates” shall be construed in accordance with Section 88 of the Companies Law; and (ii) Shares which have been unconditionally allotted shall be deemed to carry the voting rights which they will carry upon issue;
- (b) the Subscription Agreement or any revised or amended subscription for Shares by City Apex, Great Eagle or ER2 (or any persons acting in concert with such entities):
 - (i) having been rejected by disinterested Shareholders at the EGM and the Subscription Agreement having lapsed and being of no further effect and the Company not having, or ceasing to have, any obligation to proceed with such subscription; or
 - (ii) having lapsed and being of no further effect and the Company not having, or ceasing to have, any obligation to proceed with such subscription for any other reason.
- (c) except as publicly announced through the Stock Exchange by the Company prior to 7 October 2002 and except as announced by the Company and City Apex in their joint announcement dated 5 October 2002, no member of the Group having, since 31 December 2001:
 - (i) (save as between the Company and wholly-owned subsidiaries of the Company), issued, authorised or proposed the issue of additional shares of any class, or securities convertible into, or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities or redeemed, purchased or reduced any part of its share capital;
 - (ii) declared, paid or made or proposed to declare, pay or make any bonus, dividend or other distribution;
 - (iii) merged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any rights, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition, disposal, transfer, mortgage, charge or the creation of any security interest over the same (other than in the ordinary course of business and which is not material in the context of that member);
 - (iv) authorised or proposed or announced an intention to propose any change in its share or loan capital including the purchase of any of its own shares;
 - (v) issued, authorised or proposed the issue of any debentures or incurred or increased any indebtedness or contingent liability which is material in the context of that member;
 - (vi) entered into any contract, reconstruction, amalgamation, commitment or other transaction or arrangement or waived or compromised any claim in each case otherwise than in the ordinary course of business or entered into or changed the terms of any contract with any director or senior executive;
 - (vii) entered into any contract or commitment (whether in respect of capital expenditure or otherwise) which is of a long term or unusual nature or which involved or could involve an obligation of a nature or magnitude which is material in the context of the Group taken as a whole or which could or might be restrictive to the business of any other member of the Group or of the Offeror's group; or
 - (viii) proposed any voluntary winding up;
- (d) since 31 December 2001 and save as publicly announced through the Stock Exchange by the Company prior to 7 October 2002 or as disclosed in the Report and Accounts of the Company for the year then ended or in the interim statement of the Company for the six months to 30 June 2002:
 - (i) no material adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Group;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings or investigation having been instituted or threatened by or against or remaining outstanding against any member of the Group or to which any member of the Group is a party (whether as plaintiff, defendant or otherwise); and
 - (iii) no contingent liability having arisen which might reasonably be expected materially or adversely to affect any member of the Group; and
- (e) the Offeror not having discovered:
 - (i) that any financial or business information concerning any member of the Group which has been publicly disclosed at any time by any member of the Group is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading; and
 - (ii) that any member of the Group which is not a subsidiary undertaking of the Company and any partnership, company or other entity in which any member of the Group has a significant interest is subject to any liability (contingent or otherwise) which is not disclosed in the Report and Accounts of the Company for the year ended 31 December 2001 or in the interim statement of the Company for the six months to 30 June 2002 and which is material in the context of the Group taken as a whole.